

Assembly Bill No. 2523

Passed the Assembly August 22, 2014

Chief Clerk of the Assembly

Passed the Senate August 21, 2014

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2014, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend the heading of Chapter 5.6 (commencing with Section 11545) of Part 1 of Division 3 of Title 2 of, and to add Section 11547.5 to, the Government Code, relating to state government, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 2523, Cooley. Department of Technology.

Existing law establishes the Department of Technology, within the Government Operations Agency, headed by the Director of Technology, who is also known as the State Chief Information Officer. The department is responsible for the approval and oversight of information technology projects by, among other things, consulting with agencies during initial project planning to ensure that project proposals are based on well-defined programmatic needs and consider feasible alternatives to address the identified needs and benefits consistent with statewide strategies, policies, and procedures.

This bill would require the Director of Technology to review a specified manual and draft a report based on that manual and other specified factors, to be transmitted to certain legislative committees on or before July 1, 2016, that recommends how a team of senior consulting information technology experts could be developed to serve as support for state agencies and senior project team members in state government. This bill would require the director, after transmitting the report, to establish a unit, within the Department of Technology, of consulting information technology experts to serve as support for state agencies. This bill would make legislative findings in this regard.

This bill would declare that it is to take effect immediately as an urgency statute.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

(a) The state has identified the management of large technology projects as high risk for the last several decades.

(b) Large technology projects may take years to develop and, similar to issues with a recent technology project for the Department of Employment Development, the implementation of a project, from conception through implementation, can span multiple gubernatorial administrations and include a change in senior managers, retirements, and career moves that affect the project.

(c) To address these issues, the state has steadily worked to improve its organizational and institutional capacity to manage large technology programs. This effort is vital, because at the present time, there are over 100 identified information technology projects in progress throughout state government in various phases of progress and completion.

(d) An important milestone in this ongoing effort was the July 2013 issuance of the California Project Management Methodology Reference Manual completed by the Director of Technology, also known as the State Chief Information Officer. The manual breaks large information technology projects into the phases of initial concept, initiating, planning, executing, and closing. The manual emphasizes that the critical role throughout these phases is with the attendant management duties of monitoring and controlling to ensure the project is advancing in accordance with budget and outcome expectations. The manual highlights the critical role of the project management team, which includes the distinct roles of the executive sponsor, project steering committees, project director, and project manager.

(e) The difficulty of maintaining continuity among senior project leadership is highlighted by the experience of a recent technology project for the Department of Employment Development, which began under Governor Davis, continued under Governor Schwarzenegger, and is now being implemented under Governor Brown. In addition, testimony during the Assembly Committee on Insurance oversight hearing made clear the project has lost key personnel during the project course to retirement and career transfer.

(f) The state would benefit from the development of a senior cadre of information technology consultative expertise in the Department of Technology who can serve as technology advisers

to executive sponsors and other senior-level persons charged with project implementation throughout state government.

SEC. 2. The heading of Chapter 5.6 (commencing with Section 11545) of Part 1 of Division 3 of Title 2 of the Government Code is amended to read:

CHAPTER 5.6. DEPARTMENT OF TECHNOLOGY

SEC. 3. Section 11547.5 is added to the Government Code, to read:

11547.5. (a) On or before July 1, 2016, the Director of Technology shall transmit a report, pursuant to subdivision (b), recommending how a team of senior consulting information technology experts could be developed to serve as support for state agencies and senior project team members in state government to support their exercise of leadership, monitoring, control, and direction over information technology projects to minimize risks of those projects being completed improperly and over budget. In preparing the report, the Director of Technology shall review the California Project Management Methodology Reference Manual. The report shall be based on the review of that manual and shall also consider how a team of senior consulting advisers can assist senior executives charged with oversight of major information technology projects in terms of the challenges arising from all of the following:

- (1) Governance.
- (2) Development and management of contracts.
- (3) Testing.
- (4) Organizational change management.
- (5) Data conversion and migration.
- (6) Schedule development and management.
- (7) Evaluation and possible pitfalls of seeking value for taxpayers by reengineering state systems and procedures.
- (8) Risk and issue identification and management.
- (9) Interface identification and management.
- (10) Quality assurance and quality control.
- (11) Requirements definition and management.
- (12) Architecture.
- (13) Roll-out planning and approach.

(b) The report shall be transmitted to the Senate Committee on Governmental Organization and the Assembly Committee on Accountability and Administrative Review, in compliance with Section 9795.

(c) After transmitting the report pursuant to subdivision (b), the Director of Technology shall establish a unit, within the Department of Technology, of consulting information technology experts to serve as support for state agencies.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

To facilitate early support for ongoing technology projects, it is necessary for this act to take effect immediately.

Approved _____, 2014

Governor